LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

301 State House (317) 232-9855

FISCAL IMPACT STATEMENT

LS 6993 DATE PREPARED: Dec 20, 2000

BILL NUMBER: HB 1221 BILL AMENDED:

SUBJECT: Supervision of Suspended or Expelled Children.

FISCAL ANALYST: Kathy Norris **PHONE NUMBER:** 234-1360

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

 $\begin{array}{c} \textbf{DEDICATED} \\ \underline{\textbf{X}} & \textbf{FEDERAL} \end{array}$

Summary of Legislation: This bill provides that a court may declare a child to be a child in need of services if a parent, guardian, or custodian fails to provide care or supervision of a child who is suspended or expelled from school. The bill provides that a parent or guardian loses the \$5,000 cap on liability for the acts of a child if the parent or guardian fails to provide reasonable supervision of a child who is suspended or expelled from school. The bill also inserts the phrase "guardian or custodian" into the parent liability statute.

Effective Date: July 1, 2001.

Explanation of State Expenditures: This bill establishes another circumstance for which a court may declare a child to be a child in need of services, (CHINS). Out-of-home placements and services to children in need of services are funded by the local county Family and Children's Fund. Certain Out-of Home placements may be matched with Federal IV-E funds and CHINS are eligible for Medicaid services. Child Welfare Caseworkers and other staff of the local Offices of Family and Children are state employees. Additions to the number of children being supervised by the County Offices of Family and Children may result in the need for additional staff.

It is not known how many of the students suspended or expelled from school might fall within the parameters of this bill. It is possible that a student that is suspended or expelled and inadequately supervised has already encountered either the child welfare system or the juvenile justice system. It is also possible that some number of the students suspended or expelled are enrolled in an Alternative Education Program operated by the school corporation.

The following table illustrates the number of suspensions and expulsions from school years 1996 through 1999 (data for 2000 are not yet complete).

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Suspensions and Expulsions for School Years 1996-1999

YEAR	SUSPENSIONS	EXPULSIONS
1999	305,767	9,263
1998	302,593	10,229
1997	306,034	9,340
1996	227,326	8,982

Explanation of State Revenues:

Explanation of Local Expenditures: Out-of-home placements and services to children in need of services are primarily funded by the local county Family and Children's Fund. Certain out-of home placements may be matched with Federal IV-E funds, and CHINS are eligible for Medicaid services.

Explanation of Local Revenues:

State Agencies Affected: Family and Social Services Administration, Division of Family and Children.

Local Agencies Affected: Local Courts.

Information Sources: DOE ORACLE Data Tables and SAS Data Sets.

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